

TRADING UPDATE

Lisbon, July 17, 2017

2Q17 Trading Update

This trading update aims to provide estimated macroeconomic, operational and trading conditions experienced by Galp during the second quarter of 2017.

The margins, prices, production and other data referred to below are currently provisional. All such data is subject to change and may differ from the final numbers which will be reported on July 31.

Market indicators

	2Q16	1Q17	2Q17	Var. 2Q17/2Q16	Var. 2Q17/1Q17
Average exchange rate (EUR:USD)	1.13	1.06	1.10	(2.4%)	3.5%
Average dated Brent price ¹ (USD/bbl)	45.6	53.7	49.6	8.9%	(7.5%)
U.K. NBP natural gas price ¹ (USD/mmbtu)	4.4	6.0	4.8	9.2%	(20.1%)
LNG Japan and Korea price ¹ (USD/mmbtu)	4.7	7.0	5.5	18.4%	(21.2%)
U.S. Henry Hub natural gas price ² (USD/mmbtu)	2.2	3.1	3.1	39.6%	2.4%
Benchmark refining margin ¹ (USD/bbl)	2.9	3.5	4.3	48.6%	23.8%

¹Source: Platts. For a complete description of the method of calculating the benchmark refining margin see page 3.

²Source: Nymex.

Operating indicators**Exploration & Production**

	2Q16	1Q17	2Q17	Var. 2Q17/2Q16	Var. 2Q17/1Q17
Average working interest production (kboepd)	54.7	88.0	89.9	64.2%	2.2%
Oil production (kbpd)	51.7	76.9	78.0	51.0%	1.5%
Average net entitlement production (kboepd)	52.2	86.2	88.1	68.8%	2.2%
Angola (kbpd)	7.1	6.9	6.2	(12.8%)	(9.5%)
Brazil (kboepd)	45.0	79.3	81.8	81.7%	3.2%

Refining & Marketing

	2Q16	1Q17	2Q17	Var. 2Q17/2Q16	Var. 2Q17/1Q17
Raw materials processed (mmboe)	26.3	26.1	30.0	13.9%	14.8%
Refined product sales (mton)	4.5	4.4	4.7	5.9%	8.2%
Sales to direct clients (mton)	2.3	2.1	2.3	0.8%	9.3%

Gas & Power

	2Q16	1Q17	2Q17	Var. 2Q17/2Q16	Var. 2Q17/1Q17
NG/LNG total sales volumes (mm ³)	1,593	2,006	1,726	8.3%	(14.0%)
Sales to direct clients (mm ³)	881	1,149	1,052	19.3%	(8.5%)
Trading (mm ³)	712	857	675	(5.2%)	(21.3%)

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Results presentation

The second quarter of 2017 results will be disclosed to the market on July 31, before the opening of Euronext Lisbon.

The conference call will take place on July 31, at 11:30 a.m. (UK time). To listen to the conference call, please dial in 10 minutes before the scheduled time to ensure your registration. The conference call and webcast details are as follows:

Hosted by

- Carlos Gomes da Silva (CEO)
- Filipe Silva (CFO)
- Pedro Dias (Head of Strategy & IR)
- Otelo Ruivo (IRO)

Dial-in numbers

- UK: +44 (0) 203 427 1906 or
+44 (0) 800 279 5736 (UK toll free)
- Portugal: +351 213 164 172

Webcast

- <http://edge.media-server.com/m/p/s3y9gf8e>
(audio stream only)

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Benchmark refining margin methodology

The benchmark refining margin is calculated with the following weighting: 45% hydrocracking margin + 42.5% cracking margin + 7% base oils + 5.5% Aromatics.

45% Rotterdam Hydrocracking margin: -100% Brent dated, +2.2% LPG FOB Seagoing (50% Butane + 50% Propane), +19.1% EuroBob NWE FOB Bg, +8.7% Naphtha NWE FOB Bg, +8.5% Jet NWE CIF, +45.1% ULSD 10 ppm NWE CIF, +9.0% LSFO 1% FOB Cg; C&L: 7.4%; Terminal rate: \$1/ton; Ocean loss: 0.15% over Brent; Freight 2017: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat \$7.66/ton. Yields in % of weight.

42.5% Rotterdam cracking margin: -100% Brent dated, +2.3% LPG FOB Seagoing (50% Butane + 50% Propane), +25.4% EuroBob NWE FOB Bg, +7.5% Naphtha NWE FOB Bg, +8.5% Jet NWE CIF, +33.3% ULSD 10 ppm NWE CIF, +15.3% LSFO 1% FOB Cg; C&L: 7.7%; Terminal rate: \$1/ton; Ocean loss: 0.15% over Brent; Freight 2017: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat \$7.66/ton. Yields in % of weight.

7% Rotterdam Base Oil margin: -100% Arabian Light, +3.5% LGP FOB Seagoing (50% Butane + 50% Propane), +13% Naphtha NWE FOB Bg, +4.4% Jet NWE CIF, 34% ULSD 10 ppm NWE CIF, +4.5% VGO 1.6% NWE FOB Cg, +14% Base Oils FOB, +26% HSFO 3.5% NWE Bg; Consumptions: -6.8% LSFO 1% CIF NWE Cg; C&L: 7.4%; Terminal rate: \$1/ton; Ocean loss: 0.15% over Arabian Light; Freight 2017: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat \$7.66/ton. Yields in % of weight.

5.5% Rotterdam aromatics margin: -60% EuroBob NWE FOB Bg, -40% Naphtha NWE FOB Bg, +37% Naphtha NWE FOB Bg, +16.5% EuroBob NWE FOB Bg, +6.5% Benzene Rotterdam FOB Bg, +18.5% Toluene Rotterdam FOB Bg, +16.6% Paraxylene Rotterdam FOB Bg, +4.9% Ortoxylyene Rotterdam FOB Bg; Consumption: -18% LSFO 1% CIF NEW. Yields in % of weight.

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